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FM AMEMBASSY STOCKHOLM
TO RUEHC/SECSTATE WASHDC IMMEDIATE 4692
RHEBAAA/DEPT OF ENERGY WASHDC IMMEDIATE
RUEHBS/USEU BRUSSELS PRIORITY
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE PRIORITY

UNCLAS SECTION 01 OF 04 STOCKHOLM 000569

SIPDIS

SENSITIVE

E.O. 12958: N/A

TAGS: [ENRG](#) [EUN](#) [ECON](#) [EIND](#) [KGHG](#) [SENV](#) [SW](#)

SUBJECT: SWEDISH DEPUTY PM URGES SENIOR USG VISITS TO SWEDEN DURING EU PRESIDENCY; WANTS TO LAUNCH U.S.-EU ALERNATIVE ENERGY PARTNERSHIP AT U.S.-EU SUMMIT

This is an Action request. Please see para 2.

¶1. (SBU) Summary: On September 2, Deputy Prime Minister Olofsson pressed for the strong U.S.-Sweden cooperation in alternative technology to show results. She urged a ministerial-level U.S. official come to the October 14-16 Informal meeting of EU Competitiveness Ministers to present U.S. efforts to transform the United States into an eco-efficient economy -- or another event during the Presidency. Olofsson's State Secretary Altera explained that Sweden wants to expand the U.S.-EU alternative energy partnership to the EU level, and needs to work intensely to launch this effort at the US-EU summit planned for early November. The meeting ended with a conversation of the challenge of convincing young people not to share files illegally via the internet. End Summary.

¶2. (U) ACTION REQUEST: The USG is currently batting 0 for 8 in responding to Swedish invitations for minister-level attendance at EU meetings. Post requests Washington's help in securing a senior USG official visit to a suitable Presidency event in Sweden during this fall. End Action request

Plea for Senior U.S. Official to Attend EU Informal Ministerial on Competitiveness

¶3. (SBU) On September 1, the Ambassador paid a courtesy call on Deputy Prime Minister and Minister for Enterprise and Energy Maud Olofsson, the Swedish official at the forefront of the robust U.S.-Swedish cooperation in alternative technology through the "One Big Thing" alternative energy partnership, and related programs. Olofsson explained the main theme of Sweden's EU Presidency, transformation to an eco-efficient economy, i.e. achieving economic growth while reducing green house gas emissions. (Comment: Sweden is a proven leader in this area having grown its economy 46 percent between 1992 and 2008, while reducing its green house gas emissions by 9 percent.)

¶4. (SBU) Sweden has held a series of EU-related meetings and Informal Ministerials to promote eco-efficiency, including a July 2009 meeting of Ministers for Energy and Environment. The Swedish government has invited White House, cabinet-level and sub-cabinet level U.S. officials to these events to present U.S. efforts to the informal gatherings of European Ministers, but so far none have been able to come. (Comment: It is unprecedented for an EU Presidency host to invite USG officials of any level to their informal ministerial meetings. During the Swedish Presidency, there have been a flood of such invitations. This may have to do with Foreign Minister Carl Bildt's personal predilection, now shared by his fellow Ministers, to shake things up and to do things differently. While USG officials may have been surprised by such invitations, we should seriously consider taking advantage of the unprecedented

opportunity the Swedes have given us. End Comment)

15. (SBU) Olofsson said it is time to see results from strong U.S.-Swedish cooperation in clean technology in line with efforts toward a climate change agreement in Copenhagen and the new U.S. Administration's investment in new alternative energy technology.

16. (SBU) Olofsson noted that Sweden would have liked a senior U.S. official to attend some of the meetings at the July 2009 EU Informal Ministerial in Are of Energy and Environment Ministers in order to be part of the dialog on eco-efficiency and tell the EU Ministers what is happening in the United States.

17. (U) Olofsson said her priority is to have a Ministerial-level U.S. official attend the Informal Meeting of EU Competitiveness Ministers in Umea, Sweden on October 14-16. She stressed the importance of showing European Ministers that developing a green economy is a U.S. priority.

18. (U) Note on Invitations Extended to USG officials:

The Embassy is aware of the following USG officials being invited by the Swedish EU Presidency to present to EU Informal Ministerial meetings in Sweden:

Secretary of Energy Chu
Deputy Secretary of Energy Poneman
Assistant to the President for Energy and Climate Change Browner
Secretary of Labor Solis
Secretary of Health Sebelius
Secretary of Homeland Security Napolitano
Secretary Clinton
Deputy Secretary Lew
Special Envoy Stern

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Of those, the invitations Secretary Clinton, Deputy Secretary Lew and Special Envoy Stern to attend EU Development Days October 22-24 are still pending. The other invitations were declined.

In addition, Sweden has invited Assistant Secretary-level and other U.S. officials.

Assistant Secretary of Energy Zoi invited to the EU Strategic Energy Plan conference October 20-21, invitation still pending.

Assistant Secretary of State for Africa Carson represented the USG at the U.S.-EU Troika Meeting on Africa July 14

Assistant Secretary for European and Eurasian Affairs Phil Gordon represented the U.S. at the U.S.-EU Political Director Troika on July 3.

Department of Homeland Security Deputy Secretary Lute visited Sweden at the U.S. initiative for bilateral discussions, which was much appreciated by the GOS.

Other U.S. officials who have visited recently at the U.S. initiative for bilateral consultations with Sweden related to the Swedish EU Presidency include:

Special Envoy for Eurasian Energy Morningstar
Special Advisor for the Great Lakes Region of Africa Wolpe
Treasury Assistant Secretary Cohen

End Note

Need to See Results From U.S. Interest in Green Technology

19. (U) Olofsson said she discussed eco-efficiency with U.S. Energy Secretary Chu. She noted that there was a lot of "low hanging fruit" where the U.S. and Sweden could get results, such as cooperation in building technologies and transport systems. She

said the challenge was to find proactive cooperation between U.S. and Swedish businesses on concrete projects in the U.S. and Europe. She said possible areas for business collaboration included building sustainable cities, and rebuilding in older communities, such as the sustainable development project in Stockholm's formerly run-down Hammarby district. Olofsson invited U.S. officials to call her to propose projects.

¶110. (U) Olofsson suggested that Sweden could perhaps arrange an eco-efficient activity in the years ahead to promote business and innovation. Altera noted that the way to do this was to ask for practical advice from businessmen on productive areas. The U.S. side noted that U.S. firms are in the forefront of many of these areas, such as energy efficiency and improved housing construction.

Taking the U.S.-Sweden Alternative Energy Partnership to the EU Level

¶111. (U) Olofsson noted that U.S.-Sweden cooperation included extending the U.S.-Sweden Alternative Energy Partnership to the EU level. Her State Secretary Ola Altera explained how said Sweden was ready to launch the Next Big Thing (NBT), the U.S.-EU Alternative Energy Partnership, and wanted to launch it at the U.S.-EU Summit planned for early November.

¶112. (U) Altera said he had consulted his State Secretary colleagues, Gustav Lind in the PM's office and MFA's Frank Belfrage, and everyone agreed that Sweden should be talking to the European Commission about NBT.

¶113. (SBU) Altera said the Swedish EU Presidency is positive to both U.S. energy initiatives, NBT and the U.S.-EU Energy Council, and to the broad approach behind both efforts. He said Sweden's priority is NBT, technology, research, entrepreneurship of alternative technology, and being results-oriented. He said Sweden does not want to see these efforts bogged down by geo-political discussions of the security side of the energy issue. Therefore, he said, if NBT can be part of the U.S.-Energy Council that would be good, but we should drop that link if it would bog down work on NBT.

¶114. (SBU) Altera also noted the value of the Transatlantic Economic Council (TEC), but said Sweden wants to avoid the risk of bogging down NBT if it is "run through people in Brussels."

¶115. (SBU) Altera said we need to work intensely to get NBT as a
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result of the U.S.-EU Summit. He said it would be important for the NBT, U.S.-EU Energy Council or "whatever we call it" to meet before Christmas 2009 in order to set the course, and get the effort started.

¶116. (U) Altera said his Ministry was taking a pragmatic approach to launching the NBT, listening to various views. When the U.S. side suggested that NBT needed to be distilled down so it could be absorbed into the systems of other countries, Altera referred to practical meetings on the U.S.-Sweden Alternative Energy Partnership held between U.S. and Swedish business that helped shape the successful bilateral U.S.-Sweden alternative energy partnership. Olofsson said Sweden could arrange meetings to connect companies as part of the US-EU alternative energy partnership, and even co-finance projects if that is needed. Referring to her government's report on eco-efficient economies (which is at the link www.se2009.eu/polopoly_fs/1.6629!menu/standard/file/A%20European%20Eco%20Efficient%20Economy.pdf), Olofsson said we should pick out areas in the forefront of this effort for such cooperation.

¶117. (U) Finally, Altera noted that NBT does not replace the strong U.S.-Sweden bilateral cooperation on alternative energy.

¶118. (SBU) Comment: Following the meeting, the Embassy got additional details about Swedish plans for launching the NBT from

Maria Brogren at the Energy Division of the Ministry. She noted that the European Council had ordered the Commission to give its opinion on the U.S.-proposed U.S.-EU Energy Council. She repeated that her government's first priority and preference would be to launch NBT at the U.S.-EU Summit with participation by Secretary Chu, Secretary Clinton, Minister Olofsson and Foreign Minister Bildt. She said Sweden would like to see that foursome present for the first meeting of the Energy Council. But, she said, if geopolitics bogs down the Energy Council, Sweden would want to move on the technology sub group effort of the Energy Council by launching the Next Big Thing and later folding it into the technology working group of the Energy Council. End Comment.

Bridging the Gap on Illegal File Sharing

¶19. (SBU) The Ambassador concluded the meeting by raising intellectual property rights, since Olofsson's party (the Center Party) is the one member of the ruling coalition least supportive of U.S. efforts to improve Sweden's efforts against illegal file sharing. Olofsson said there are discussions within the government about putting more legislation in place against file sharing. While legislation is needed, and Sweden follows European level legislation, she argued that a solution should not only be left to politicians via legislation. The problem was a market failure, the lack of a product that people could easily access at a reasonable price. Many young people, she said, think that all file sharing is free. It is hard to change their perception of the rules. Olofsson said she wanted artists and creative people to be paid for their ideas, but we need to create a market solution that is easy for people to follow.

¶20. (SBU) The U.S. side countered that as knowledge-based economies, both the U.S. and Sweden have a lot to lose from illegal file sharing. We need to make this public debate about the artists being stolen from.

¶21. (SBU) Olofsson noted that Nokia and Ericsson have introduced new services to share products while paying the artists, which is good. We need to find a way to pay artists property, not just to pass legislation, she repeated.

¶22. (SBU) Olofsson said we need to understand how young people see the problem. We should talk about what is happening now, not just pass legislation, she stressed. She pointed to the success of Sweden's Pirate Party in the European Parliamentary elections as an example of that young people "do not trust us." She said the Pirate Party attracted voters from both the right and the left, and the Pirate Party MEP now has two advisors, one with a background in the Left Party, and one from a neo-liberal party.

Final Comment

¶23. (SBU) The request for help in securing a senior USG official visit to Sweden during the remaining months of the Presidency was a direct plea for help. Olofsson said that she is hopeful that the USG will be able to demonstrate the importance it attaches to the

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bilateral links in the Alternative energy area by actually sending a senior official to a meeting where the Swedes host its European partners. End comment.

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